

Community Clean Energy Resiliency Initiative – Webinar 1: Questions and Answers

Q1: Can some of the cost share be in in-kind services?

A1: The cost share requirement is 10%; half of that or 5% of the total cost can be in-kind. Please see the "Funding Guidelines" section of the Project Implementation Application Information document. Page 5 states: "The applicant submitting a PI Application must provide a minimum of 10% match of funding for the project, with no more than half of the match allowed as in-kind. "

Q2: What is black start capable?

A2: Black start capable refers to the ability of a generation unit to restore power to itself without relying on external electric power. In the case of an outage, a natural gas combined heat and power (CHP) unit, for example, could go from completely shut off, to running normally without having to use an external signal.

Q3: Is there a specific cap on the amount that would be awarded to a single project?

A3: The maximum grant funding available to an applicant is outlined in the "Funding Guidelines" section of the Project Implementation Application Information document. The section states the following:

"The MAXIMUM grant funding available for any PI applicant will be calculated based on a relative per capita income and population multiplier for the applicant's municipality and be subject to an overall upper limit of \$5 million. There is no floor for grant requests. Projects serving more than one municipality should use the summation of the maximum grant award calculation for all municipalities involved. DOER does maintain the right to consider projects beyond this funding limit based on available budget particularly in the case of coordinated applications across more than one municipality, as well as complex microgrid projects. DOER reserves these maximum amounts for applicants who have demonstrated preparedness and capacity to implement significant projects or comprehensive efforts across multiple facilities. More straightforward energy resiliency projects should not need to seek these maximum amounts.

The MAXIMUM grant award calculation is as follows:

- \$125,000, plus
- A municipality specific adder based on per capita income (2011 Massachusetts Department of Revenue data) and population (2012 US Census data) calculated as follows: $\$10.00 * \text{population} * (\text{state median per capita income} / \text{municipality per capita income})$.
- A further 10% for interconnection costs and a second 10% for administrative costs.
- The overall grant maximum is \$5 million."

Q4: You mention "high scoring" applications. What criteria are used to "score" the applications?

A4: The evaluation criteria are outlined in the "Evaluation Criteria" sections of each of the application information documents (that is, for both PON-ENE-2014-035 and PON-ENE-2014-036). These criteria form the basis of the scoring of all applications.

Q5: So this initiative applies to clean energy technology. So does this mean that this program is only open to renewable energy resources, or would it apply to a broader array of resources?

A5: The Community Clean Energy Resiliency Initiative is funded through Alternative Compliance Payments (ACP) that are received as part of the Renewable and Alternative Energy Portfolio Standards from the Massachusetts retail electricity suppliers. Due to the regulations that direct the use of ACP funds and the goals of the Administration, the Initiative is focused solely on clean energy technology. For energy generation sources, this includes renewable energy generation and efficient natural gas or renewable combined heat and power systems. It also includes energy storage, energy management systems, technology used to island distributed generation, and microgrids. The eligible technologies are listed in the "Eligible Clean Technologies" section of each application information document. Proposed resiliency projects may include conventional technologies (fossil generators), but the cost of this equipment cannot be supported by the DOER funds.

Q6: Is there any relationship between this initiative and the Massachusetts D.P.U.'s Grid Modernization efforts?

A6: The Massachusetts Department of Public Utilities (DPU) grid modernization effort is distinct from DOER's Community Clean Energy Resiliency Initiative. DOER does carefully follow the work of other state agencies.

Q7: How does this program compare with similar efforts in Connecticut and New Jersey?

A7: DOER has looked to other states to understand the lessons learned through their programs as well as any recommended best practices. So, while there are some similarities among the programs, we each have our own approaches. One large distinction from the Connecticut program, in particular, is that the Community Clean Energy Resiliency Initiative is not strictly a microgrid program, while Connecticut is solely focused on microgrids through its program.

Q8: Is competitive bidding required for PI projects?

A8: The Community Clean Energy Resiliency Initiative is a competitive grant program. Applications to both Technical Assistance and Project Implementation will be evaluated, scored and awarded through a competitive process. Once awarded, Project Implementation projects will be managed by the awardee under whatever procurement rules apply to the specific municipality or regional entity.

Q9: What is the matching minimum for PI projects - is that 10% also?

A9: See Question 1 above.

Q10: Does a municipal / government organization have to retain DOER's consultant (Cadmus) for tech assistance in order to apply for a Project Implementation grant in Round 1 or in Round 2?

A10: The Technical Assistance offered by DOER through the Community Clean Energy Resiliency Initiative is NOT required for applicants wishing to submit projects for Round 1 Project Implementation funding. To be eligible for Round 2 Project Implementation funding, an applicant must have either been awarded Technical Assistance through the Initiative and worked with the consulting team to develop a project plan OR have applied for Round 1 Project Implementation, scored well, but left un-funded due to the first round \$20 million limit.

Q11: What portion of utility interconnection costs will be covered by the funding program (all, some and if some, what portion)?

A11: As listed in the "Funding Guidelines" section of the Project Implementation Application Information document, the Community Clean Energy Resiliency Initiative funds will cover interconnection costs related to the resiliency aspects of a project.

Q12: Can you explain why Ms. McGuire referred "black start" capabilities (and ISO NE program and term)? Is participating in this ISO NE blackstart program encouraged or required by the DOER resiliency program?

A12: Black start capable refers to the ability of a generation unit to restore power to itself without relying on external electric power. In the case of an outage, a natural gas combined heat and power (CHP) unit, for example, could go from completely shut off, to running normally without having to use an external signal. This need not be a system working as a power supplier through ISO-NE and the Initiative does not require participation in that program.

Q13: Does the MA DPU support / acknowledge the solar islanding and other DG islanding policy position adopted by MA DOER?

A13: DOER has worked with the MA DPU throughout the development of the Initiative. They are aware of the goals and objectives of the program, including islanding through an emergency event.

Q14: Does DOER have the support of the three primary MA local distribution companies (LDCs) for these 3 utilities to support solar islanding?

A14: DOER has worked closely with the electric utilities in MA throughout the development of the Initiative. They are aware of the goals and objectives of the program, including islanding through an emergency event.

Q15: Does the MA DOER have the support of municipal utilities for solar islanding?

A15: Municipal utilities are aware of the goals and objectives of the program, including islanding through an emergency event.

Q16: Are MA "county government" organizations such as county court systems eligible for funding?

A16: A county government may be considered an eligible regional entity under the Initiative, although it would be important for a project to involve a critical facility as defined in the solicitation documents.

Q17: Will MA utilities expedite their interconnection review processes and timeline in order to provide an estimate of interconnection costs for MA DOER resiliency program funding eligible technologies (CHP, batteries, solar islanding, etc)?

A17: The MA utilities will consider all projects under the same interconnection process as any other project seeking interconnection. Community Clean Energy Resiliency Initiative projects should not expect special treatment or expedited review from the utilities.

Q18: Are municipal utilities eligible for grant funding?

A18: While municipalities served by MLPs are eligible, the municipal utility itself would not be an eligible applicant. Please see the "Eligible Applicants" section of the solicitation documents for a list of all eligible applicants.

Q19: Will the DOER support funding for actual PV systems so that the municipality or other government agency can "own" the system outright?

A19: The Community Clean Energy Resiliency Initiative will not fund project costs that are otherwise incentivized by state or other entities. In the case of solar photovoltaic panels, there are federal tax credits, state tax credits, a state rebate, and performance incentives through the SREC II program available. The Initiative, therefore, would not contribute to the conventional costs of solar photovoltaic systems. Solar systems serving municipal facilities can typically be owned and financed by third-parties, and community shared solar ownership structures may be feasible.

In the case of solar photovoltaic panels, an applicant may size the solar array to suit your needs as long as the resiliency equipment linked to this generation (switch gear, controls, storage, etc) serves the critical facility sufficiently. In this case, the Initiative would be providing funding for this resiliency equipment, not the generation equipment.

Q20: Will MA municipalities be able to "expedite" their procurement regulations with support from MA state law in order to speed up the decision making process for resiliency grants?

A20: Municipalities operate under their own procurement regulations and MA DOER has no involvement with that process.

Q21: For public-private grant applications, can the private entity be the "lead applicant" (or) does the municipality need to be the lead applicant?

A21: As stated in the Eligible Applicants section of the solicitation documents: "Municipalities or other public entities as described above may partner with private entities as the project host, as described in the

“Eligible Critical Facilities” section below or as project developers under agreement with the municipality or other public entity. The municipality or other public entity must serve as the lead applicant.”

Q22: Can multi-family apartment buildings, elderly care facilities, and residential homes be eligible for a public-private partnership as defined by the MA DOER resiliency program's public-private definitions / guidelines?

A22: If deemed critical facilities by the eligible applicant and a clear justification is made for this designation in the application, the facilities listed above could be considered in an application for the Initiative funding.

Q23: Are school districts (and not the city / town) eligible for grant funding? For example: Springfield MA public school district?

A23: A municipal school district, like Springfield’s, would come under a municipality; therefore the municipality would be the applicant.

Q24: The timeline seems very tight for typical municipal procurement schedules and requirements, plus engineering design time. Can you describe why projects have to be planned and designed in a matter of a few months?

A24: Climate change is a reality and the impact of climate change in Massachusetts are also a reality. The Patrick Administration has directed DOER to move forward as quickly as possible on our portion of the Climate Preparedness Initiatives.

Q25: Will all approved TA applications be conducted at no cost to the applicant, i.e., will Cadmus & team provide technical assistance to all eligible applicants, and what extent of assistance will that include - design, economic analysis, etc?

A25: Technical Assistance awarded through the Community Clean Energy Resiliency Initiative will be at no cost to the awarded applicants. This service will provide a technical analysis resulting in a summary report containing critical conceptual design information and indicative economic information on a potential resiliency project, including:

- Description of system technology and design, grid-configuration, capabilities, and supervisory control and data acquisition (SCADA) requirements
- System schematic (1-line diagram) showing relative locations of primary generation equipment, switchgear, controls and point(s) of common coupling
- Installed equipment, labor, services and O&M costs
- System energy and financial performance, including cost benefit analysis considering all major potential revenue sources and energy cost savings

The report will also include a detailed project plan including:

- Major siting and implementation barriers identified during project evaluation

- Assessment of the system against a variety of metrics, including ability to reduce severity and/or duration of service interruptions, and support for critical infrastructure
- Resiliency to gradual pressures (e.g., temperature change, rainfall decrease/increase, and rising energy costs)
- Resiliency to acute pressures (e.g., natural disaster or major equipment failure)

Q26: Where can the requirements and applications forms be found?

A26: The solicitation documents are posted on the DOER website (<http://www.mass.gov/eea/energy-utilities-clean-tech/renewable-energy/resiliency-initiative.html>) as well as on www.CommBUYS.com under the solicitation numbers: PON-ENE-2014-035 and PON-ENE-2014-036.

Q27: Can technical assistance funds be used to contract with DCAMM-approved consultants other than the Cadmus, etc. team?

A27: Technical Assistance will only be provided by the Cadmus team, procured by DOER. No TA funds are provided directly to the applicant.

Q28: Can Tech Assistance be performed by any well qualified contractor?

A28: Technical assistance through the Technical Assistance Application of the Community Clean Energy Resiliency Initiative will be provided by the consulting team, lead by the Cadmus Group, procured by DOER.

Q29: If funding is provide under this program, will it affect eligibility for other DOER projects like SSO funding.

A29: Funding under the Community Clean Energy Resiliency Initiative should not affect eligibility under other DOER programs, although the same aspect of the same project may not be funded by multiple DOER sources.

Q30: Are Sewerage Districts eligible for this funding?

A30: Regional sewerage districts are eligible applicants under the Community Clean Energy Resiliency Initiative.

Q31: May non profits through the community apply?

A31: Non-profits are not eligible applicants but may partner with a municipality or regional public entitiy on an application in the same way a private entity might.

Q32: For implementation projects, can any portion of the project budget be used for municipal costs for grant administration?

A32: As stated in the "Funding Guidelines" section of the Project Implementation Application Information document, "administrative costs (not to exceed 10% of total costs)," can be included in a Project Implementation Application.

Q33: The examples you provided for good role models included solar PV arrays, but you later noted that solar PV arrays are not eligible. Can you clarify what clean energy systems are eligible?

A33: Solar photovoltaic projects are absolutely eligible under the Community Clean Energy Resiliency Initiative. The Initiative will not fund the cost of the panels themselves, but will fund the resilient components of a PV system, such as inverters capable of islanding from the grid, battery storage, and interconnection costs. Other state programs are available to support the standard installation of solar PV systems.

Q34: are these slides available for a download, copy, etc?

A34: The presentation slides and recording are posted on DOER's website, on the archived webinar page, here: <http://www.mass.gov/eea/energy-utilities-clean-tech/webinar-future-and-archive.html>.

Q35: For the PI project proposals, will region be a strong factor for the allocation of these awards?

A35: As stated in the "Evaluation Criteria" section of both application information documents: "Geographic Diversity: In recognition that climate events are known to affect all regions of the Commonwealth, DOER will make awards, to the extent possible, in a manner that fairly distributes this public support across all regions of the Commonwealth. "

Q36: As a cogeneration equipment manufacturer, should we file an application for the \$ value difference between a unit that provides a back-up power and the one that does not or for the entire project minus Utility Incentive?

A36: DOER will only provide support for the resilient components (ie. islanding and black start capability) of a natural gas combined heat and power (CHP) system. The funding request would be for these components, NOT the entire project minus the utility incentive.

Only eligible applicants can submit an application under the Community Clean Energy Resiliency Initiative, so an equipment manufacturer would not themselves be able to apply. They could, however, partner with a municipality or regional public entity, subject to procurement rules, to submit an application for a project at that site. Such projects would require the Memorandum of Understanding to provide the applicant critical functions for public benefit in the case of an emergency event.

Q37: Since there are incentives available for cogeneration, would DOER only support supplemental components for islanding?

A37: See Q36.

Q38: Are public colleges and universities eligible?

A38: Public state colleges and universities are not eligible applicants. They may have project sites that could be deemed critical facilities and therefore partner with a municipality or regional public entity to submit an application for a project at that site. Such projects would require the Memorandum of Understanding to provide the applicant critical functions for public benefit in the case of an emergency event.

Q39: What technical consulting teams and developers can be used?

A39: For the Technical Assistance application type, DOER has procured a consulting team made up of the Cadmus Group, MCFA and HOMER Energy to provide technical assistance at no cost to awarded applicants. This is the only consulting team eligible to provide this service. Project Implementation applicants are welcome to hire their own consulting teams to help with Round 1 Project Implementation projects.

Q40: Can attendees get an e-mail copy of this presentation?

A40: The presentation and the webinar recording will be posted on DOER's website, here:
<http://www.mass.gov/eea/energy-utilities-clean-tech/webinar-future-and-archive.html>.

Q41: Is there a limit on the amount of funding per project in the PI Application pool?

A41: The maximum grant award for an applicant is outlined in the "Funding Guidelines" section of the Project Implementation Application Information document. This section details the maximum grant award calculation as well as the overall maximum of \$5 million.

Q42: For the PI project, when does the project need to start and when does it need to be put into service?

A42: The "Evaluation Criteria" section of the Project Implementation Application Information document states that a project should have a "clear plan to expeditiously execute the proposed project:

- o For Single building projects, proposals with a plan to complete projects before the end of calendar year 2014 will be given priority.
- o More complex projects will be evaluated more strongly the sooner they can be completed.
- o All projects should demonstrate a strong plan for completion by the end of calendar year 2015 at the latest."

Q43: Would adding new solar facilities to a site without solar facilities be eligible? Or can we only enhance something that is already there?

A43: Adding new generation or retrofitting an existing system are both eligible project types under the Community Clean Energy Resiliency Initiative.

Q44: We have a CHP unit already funded and designed. It will be built this summer. It currently does not include island mode. Can we apply to get funding to design and build island mode. Which application should we use?

A44: An applicant can submit an application for a project retrofit on an existing or planned project. Whether to apply for technical assistance or project implementation would up to the applicant.

Q45: How far does a project have to be developed to be considered for implementation? And can the Cadmus TA be detailed enough to take a project from concept to meet requirements for the second round of implementation grants?

A45: A project implementation application must meet the application requirements set out in the solicitation. The guidelines for this can be found in the application information document and specifics are written in the application forms. The technical assistance report will provide a sufficient technical foundation of the follow-on project implementation application.

Q46: Can a regional school district and a municipality both apply, as long as they are managing separate properties?

A46: A regional school district and a municipality are both eligible applicants for the Community Clean Energy Resiliency Initiative. They would not be able to apply for funding for a project at the same critical facility. The funding request from the regional school district would be applied to all municipalities served by the school district, and the maximum grant funding available summed across all municipalities inclusive of any individual municipal grant requests, cannot be exceeded.

Q47: Can a municipality hire their own consultant through a PI application? Or, does it have to be the already contracted Cadmus Group?

A47: An applicant may hire any consulting team for a Round 1 Project Implementation Application.

Q48: Do the projects need to have an economic return?

A48: Economic return is not an evaluation criterion used by the Initiative. The Initiative does, however, require a clear budget as part of the application, and will evaluate a project based partly on a plan for ongoing operations and maintenance costs.

Q49: Do the projects get to keep environmental attributes generated (SRECs)?

A49: Non-energy attributes (SRECs, RECs, AECs) accrue to the owner of the project. Typically, these attributes are sold to generate necessary revenue to support the project financing or rate of return. Selling such attributes serve the Commonwealth's RPS and APS targets. Such attributes can be "retired", but applicants should provide economic justification for choosing this option.

Q50: Will incomplete applications be disqualified?

A50: DOER will not consider incomplete applications. They will be disqualified.

Q51: Are the caps applied to the projects or to the applicant? In other words, if a city applies for more than one project and gets more than one grant are the caps absolute or additive?

A51: The maximum grant award applies to the applicant, not the project.

Q52: Can a city apply for both tech assistance and implementation for different sites? Can we apply for more than one tech assistance grant?

A52: An applicant may submit both a Technical Assistance application and a Project Implementation application for the July 15, 2014 deadline as long as these applications are for different projects at different critical facilities. An applicant may include multiple critical facilities in a Technical Assistance application. These will be analyzed by the consulting team to determine viability and may or may not both be fully developed into project plans depending on that viability.

Q53: Can Gas station apply so they can provide gas to customer during and outage? Like Fuel NY program

A53: A fueling station may qualify as a critical facility through the Community Clean Energy Resiliency Initiative. It is important to note that unlike FuelNY the Community Clean Energy Resiliency Initiative will not fund the installation of diesel generation equipment. The fueling station itself is not an eligible applicant and would have to partner with a municipal applicant and engage in a MOU to provide public services during an outage.

Q54: I think the speaker keeps saying "black star capable" - I don't know what that means, or if I'm mis-hearing it.

A54: The discussion was around black start capability. Black start capable refers to the ability of a generation unit to restore power to itself without relying on external electric power. So, in the case of an outage, a natural gas combined heat and power (CHP) unit, for example, could go from completely shut off, to running normally without having to use an external signal.

Q55: Can the PI grant pay for the cost of solar panels so they can be owned by the muni instead of doing a PPA?

A55: The Community Clean Energy Resiliency Initiative will not fund solar photovoltaic panels themselves. These panels are eligible to receive incentives from other state programs. The Initiative will provide funds for equipment to enable the panels to island, serve critical loads and work with storage equipment to provide sustained power.

Q56: Are municipal projects in partnership with privately owned hospitals eligible?

A56: Municipal projects in partnership with private hospitals are eligible for the Community Clean Energy Resiliency Initiative.

Q57: Is there a cap on the amount available for PI projects?

A57: There is a grant award maximum for an applicant. This is outlined in the "Funding Guidelines" section of the Project Implementation Application Information document. The section states the following:

"The MAXIMUM grant funding available for any PI applicant will be calculated based on a relative per capita income and population multiplier for the applicant's municipality and be subject to an overall upper limit of \$5 million. There is no floor for grant requests. Projects serving more than one municipality should use the summation of the maximum grant award calculation for all municipalities involved. DOER does maintain the right to consider projects beyond this funding limit based on available budget particularly in the case of coordinated applications across more than one municipality, as well as complex microgrid projects. DOER reserves these maximum amounts for applicants who have demonstrated preparedness and capacity to implement significant projects or comprehensive efforts across multiple facilities. More straightforward energy resiliency projects should not need to seek these maximum amounts.

The MAXIMUM grant award calculation is as follows:

- \$125,000, plus
- A municipality specific adder based on per capita income (2011 Massachusetts Department of Revenue data) and population (2012 US Census data) calculated as follows: $\$10.00 * \text{population} * (\text{state median per capita income} / \text{municipality per capita income})$.
- A further 10% for interconnection costs and a second 10% for administrative costs.
- The overall grant maximum is \$5 million."

Q58: If you are a non-profit who is submitting with the city you are operating in do you need to follow that cities procurement policies or the ones that the nonprofit usually operate with?

A58: An award can only be made to an eligible applicant as listed in the "Eligible Applicants" section of each application information document. Since the award would come from DOER to the lead applicant, a municipal or regional public entity, procurement would need to follow the rules set out by that public entity.

Q59: Is there an MOU requirement for say for a hospital CHP unit and the town?

A59: Unless the hospital is owned by the municipality, it would require a Memorandum of Understanding to provide the applicant critical functions for public benefit in the case of an emergency event.

Q60: Does this program apply to state or federally owned facilities in Massachusetts?

A60: The Community Clean Energy Resiliency Initiative does not apply to federally or state owned facilities unless those facilities have partnered with a municipal or regional public entity to provide a critical and

public service through an emergency event. A Memorandum of Understanding would be required for such an arrangement.

Q61: Are vendors allowed to submit as lead in partnership with public and private entities?

A61: Only eligible applicants as listed in the "Eligible Applicants" section of each application information document are able to serve as the lead applicant through the Initiative. A vendor may partner with an applicant, however, but subject to procurement rules.

Q62: Can you enter only one application or could a town offer several projects for different options?

A62: A municipality may submit an application containing projects at multiple facilities.

Q63: Project implementation is required within the fiscal year 2015 (completion by June 30, 2015) or can it extend into FY2016.

A63: As stated in the "Evaluation Criteria" section of the Project Implementation Application Information document an applicant should have a: "Clear plan to expeditiously execute the proposed project.

- o For Single building projects, proposals with a plan to complete projects before the end of calendar year 2014 will be given priority.
- o More complex projects will be evaluated more strongly the sooner they can be completed.
- o All projects should demonstrate a strong plan for completion by the end of calendar year 2015 at the latest."

Q64: Does the cost share apply to the TA application as well?

A64: Technical Assistance is offered at no cost to awarded applicants through the Community Clean Energy Resiliency Initiative. No cost share is required.

Q65: Can you provide any details on the types of energy storage technologies that will be supported?

A65: The Community Clean Energy Resiliency Initiative supports the incorporation of energy storage like batteries, flywheels, and thermal storage (for example, hot or cold water storage).

Q66: How will the cost share be determined?

A66: As stated in the "Funding Guidelines" section of the Project Implementation Application Information document, "The applicant submitting a PI Application must provide a minimum of 10% match of funding for the project, with no more than half of the match allowed as in-kind. Match provided by an RPA applying on behalf of multiple municipalities is acceptable. "

Q67: Is it possible to get a DOER site visit/evaluation before we formulate our application?

A67: DOER would be glad to answer any questions an applicant has regarding a potential application. Please send questions to Amy McGuire at amy.mcguire@state.ma.us. A site visit would not be possible.

Q68: Would insulation costs be appropriate for a grant?

A68: While the Community Clean Energy Resiliency Initiative is looking for projects at facilities that have or plan to incorporate energy efficiency measures like insulation, the Initiative would not fund these measures. There are other state and utility incentive programs for energy efficiency measures.

Q69: Would a senior center building project for emergency generation for sheltering be best combined with a larger storage project being considered by the local municipal electric company?

A69: A senior center used as a community shelter during an emergency would be a well-qualified critical facility under the Community Clean Energy Resiliency Initiative. The Initiative will not be funding utility projects.

Q70: Are funds disbursed during project construction or as lump sum at project completion?

A70: As described in the "Funding Guidelines" section of the Project Implementation Application Information document: "DOER will release grant payments in an initial lump sum of 50% of the project budget and then require milestone reporting and invoices for reimbursement of the remaining funds. Milestones and reporting requirements will be established through the contracting phase."

Q71: So Grant cap is per town not per project?

A71: The grant award maximum calculation is by applicant not by individual project.